

## **2009 Energy Conservation and Weatherization Program FAQ**

**April 2, 2009**

***Q. What if the general local of unit of government has an agency that currently administers the State's Weatherization Program for IHCD?***

A. Any not-for-profit agency or public agency that has been administering a Weatherization Assistance Program grant for IHCD is eligible to apply for the Energy Conservation Program.

***Q. Will grantees have to do weekly wage reporting to the Department of Labor, as is required by the Davis-Bacon Act?***

A. The American Recovery and Reinvestment Act (ARRA) states that all laborers and mechanics employed by contractors or subcontractors that are funded in whole or in part through the Act shall be paid wages at rates no less than the prevailing wage rates for such projects in the locality.

***Q. Centralized Purchasing - Will there be an exemption for ancillary purchases?***

A. Yes, the bulk purchasing will apply only to large-ticket items frequently purchased through this program (i.e. Furnaces, Water Heaters, and Insulation)

***Q. We are unclear about the extension periods for the contract. The RFP outlines that 100% of units should be completed by 3/31/10, yet the funds can be expended until 3/31/12. Can you explain the extension process?***

A. Allocated- When funds are awarded as a result of a bid. Expended- When funds are claimed from IHCD as a result of work being completed. Committed- When funds are guaranteed as a result of reviewing applications for funding.

***Q. The RFP mentions training requirements for Inspectors and crew workers thru INCAA. If awarded the grant, are there monies available for Training and Technical Assistance as with a typical WAP grant?***

A. Indiana does not award T and TA money to grantees. Instead, we ensure that our training agents pick up all training related costs. The RFP also states that 10% of the unit goals must be completed by August. Will the trainings be available early enough in the year in order to train workers, get them in the field and allow the chosen providers to accomplish this goal? I believe so.

***Q. Is BPI accreditation allowable for substitution for INCAA training?***

A. Only if BPI accreditation has been achieved through a training program sponsored by IHCD. The BPI certification in and of itself does not cover many of the aspects of Indiana's weatherization program.

***Q. Are there monies available for equipment and vehicles purchases thru this grant?***

A. If equipment and vehicles must be purchased by the grantee and they choose to purchase them through the grant, the costs must be counted against the average cost per home and must be preapproved by IHCD and DOE. The grantee must also maintain a yearly depreciation schedule for the equipment. (Another option being considered is leasing)

***Q. How reimbursement is handled, is this strictly an actual cost only reimbursement like the typical WAP grant or is there a unit price payment per measure like some of the utility programs or some combination?***

A. Standard reimbursement grant. If a grantee subcontracts something like auditing and an agreed per home audit rate is determined, that can be billed as a unit rate.

***Q. Is the necessary reporting software and forms being provided by IHCD or will this software need to be purchased?***

A. It will be provided by IHCD.

***Q. At what level will the current WX providers being funded without the additional ARRA funds?***

A. Current grantees will be receiving roughly 7.5 Million in regular DOE allocation. Will a Centralized list of contractors, auditors, and administrators be available?

***Q. In reading the material put out this week, am I understanding that you give us a listing of the homes that you want to receive assistance through this program? We do not distribute pre-applications for families interested?***

A. We will utilize our existing Energy Assistance wait lists to generate a list of potential clients. This will prevent recipients from having to market the program and do client intake. It will necessitate that each recipient screen the provided list for interested clients though as not all EAP clients will want weatherization.

***Q. Centralized purchasing: Is this the furnaces, cellulous, etc. Would this include equipment also? Where is the centralized area to get the supplies?***

A. This will apply solely to purchases of things like furnaces, cellulose, water heaters, and fiberglass. Equipment and Supplies have special purchasing guidelines, but IHCDCA does not specify types or values associated with equipment or supplies.

***Q. Our agency doesn't own a blower door tester or the camera. Does the allocation allow for us to budget to purchase these?***

A. Yes, but these purchases must come out of your average cost per home. So for instance if you are doing 20 homes and you have to purchase a \$20K truck, you now only have a \$4,000 average cost per home. In addition, these purchases must be preapproved by IHCDCA and DOE and the agency must track the depreciation and inventory of any equipment purchased through the grant funds.

***Q. Can local governments apply for this funding?***

A. No, only not-for-profits can apply.

***Q. Are 501 C3's the only non-profits that can apply?***

A. The non-profit status is what has to be in place.

***Q. The existing training is being solely performed at INCAA – will this be expanded to other locations around the State [local level]?***

A. Yes, the training will extend to other regions of the state. Exact numbers in terms of how many regions or where those regions are located is still being determined.

***Q. Explain the timelines in relation to the probable funding amounts and time frames for spend downs***

A. This applies to the agency receiving the funds. The spend downs are bench marks to ensure the money is spent. This is the reason for two allocations. If the first allocation is not being used or spent properly in an expeditious way, the money could be reallocated. The same situation would most likely prevent an agency from gaining additional funding.

***Q. If no one requests funds for a particular county or area, what will happen with those funds?***

A. IHCDCA's intent is that all counties be covered with the amount specified in the RFP. If it does not happen IHCDCA will try to find someone to perform the work in that area. This problem will be handled as deemed necessary by IHCDCA.

***Q. If multiple agencies are going together to present a RFP how should it be spelled out?***

A. Someone must be identified as the administrator or responsible party. Each partnership must have a lead agency that will be responsible for the administration and fiscal aspects of the grant – they will be held accountable for the funding. Include information as to who the board members are of the lead agency.

***Q. Can sub-grantees exceed the amount per job if other funds are used with them?***

A. Other funds can be used per section 2.5 – Budget. All other funding must be tracked separately.

***Q. Will there be an orientation for agencies chosen who have never worked with IHCD before?***

A. There will be training for claim submission and practices used by IHCD specific questions should be directed to Paul.

***Q. Budget questions and concerns from agencies not familiar to IHCD.***

A. Budget will need to be general for the RFP. Specific guidance will be given to agencies selected to receive funding.

***Q. Must people doing the work be separate from the auditor?***

A. The auditor should be detached in some way.

***Q. Additional concern for bench marks – If not sure of capacity and don't spend the money is an agency kicked out of the second round of funding?***

A. Will be watched with the decision up to IHCD.

***Q. If Lead Based Paint abatement is needed, will separate funds be available for abatement?***

A. No – if work cannot proceed without abatement then the house needs to be deferred with no work being done.

***Q. Will the back ground check prohibit a felon from being hired?***

A. The back ground piece is still in the works.

***Q. How should the good faith estimate on materials be figured?***

A. It should be based on the amount of money being applied for.

***Q. Can you elaborate on the auditor and contractor training? What was the process for developing the training and who is doing it?***

A. IHCDCA is working on finalizing agreements – not additional information or comment  
Efforts were undertaken to get it in place quickly – reasoning behind the approach  
Information should go out in the next couple of weeks

***Q. When is the public hearing date? Is it a firm date?***

A. The date is dependent upon the completion and availability of the State Plan

***Q. How do contractors make themselves known to new funding recipients?***

A. IHCDCA can make a list of contractors available to sub-grantees

***Q. Is the amount allowed for additional necessary repairs going to be raised?***

A. It is being considered but no answer at this time

***Q. Is it clear that no other government funds can be used with the stimulus funds?***

A. No – other government funding can be used per 2.5 of the guidelines. All other funding must be tracked separately.

***Q. Is there any chance that the 15% for Health and Safety can be a flexible number or be raised?***

A. The 15% is DOE's upper end and normally does not see a need for it to be higher. DOE needs a really strong justification to allow that number to change. IHCDCA is pleading that case with DOE – that is the proper avenue to address the concern. IHCDCA will welcome any supporting documentation for the increase.

***Update April 5, 2009***

***Q. It would be helpful for IHCDCA to make wage guidelines available for each county.***

A. Such guidelines are available on the Department of Labor web site, located at [www.dol.gov/esa/whd/programs/dbra](http://www.dol.gov/esa/whd/programs/dbra). These figures can change and it would be difficult for IHCDCA to keep the numbers current without risking inaccuracies. DOE has indicated it is working with the DOL to develop guidelines more tailored to weatherization under the ARRA.

***Q. Can funds be used for rentals and homeowners both?***

A. Yes.

***Q. The RFP states that stimulus funds must be tracked separately from other federal funding – does this mean that each county has to be tracked separately?***

A. The award will be disbursed under one agreement – however, the funds allotted for each county are intended to be spent in that county. Sub-grantees must track their funds in a way that permits them to demonstrate what amounts were spent in each county.

***Q. Is there a chance for advances of money for the purchase of vehicles and equipment?***

A. This is unlikely, but IHCD may consider a request for advances on a case by case basis.

***Q. Advances have been given in the past – how much flexibility does the governor have? How much flexibility is present?***

A. The circumstances under which advances may have been made in the past are outlined at 10 CFR 600.221. The goal of this program is to select new sub-grantees with the capacity to fulfill their weatherization obligations quickly and effectively. Therefore, it is important for sub-grantees to have the financial stability necessary for such a challenging endeavor.

***Q. There are two eligibility requirements mentioned in the RFP – 150% of poverty for the list of approved EAP clients and 200% of poverty for the stimulus dollars – which will be the target for the stimulus funds?***

A. Based on an analysis of the number of persons on the EAP list, IHCD has determined that the entire amount of ARRA funds could be used just serving those listed, if a sufficient number of households wanted weatherization. Consequently, EAP listed households will be targeted for the stimulus funds.

***Q. Is Workforce Development usage required for with the RFP?***

A. No

***Q. Will the contracts be labor only with materials being purchased with central purchasing?***

A. As stated in the RFP, applicants should include a good faith estimate of the types and quantities of weatherization materials they anticipate needing during the initial contract term. IHCD is still working out the details of what will be covered with central purchasing.

***Q. Concerning capacity issues how will the choices be made as to who gets awarded funding?***

A. IHCDCA is looking for organizations that are financially stable, sufficiently staffed, adequately equipped, and are ready to go to work quickly to meet the spending benchmarks.

***Q. Do HUD Lead Based Paint regulations apply to the stimulus funding?***

A. No. The DOE issued Interim Lead-Safe Weatherization Guidance on September 22, 2008, WPN 08-6, which is based on the EPA rule set to take effect in 2010.

***Q. Will there be an orientation for agencies chosen who have never worked with IHCDCA before?***

A. Yes, there will be training for claim submission and administrative practices used by IHCDCA.

***Q. Budget questions and concerns from agencies not familiar to IHCDCA.***

A. The weatherization budget submitted in response to the RFP will need to be somewhat general. Specific guidance on details will be provided when agencies are selected for further discussions and possible funding.

***Q. Must people doing the work be separate from the auditor?***

A. Yes, the audit should be performed by a person or an entity separate from those doing the installation work.

***Q. Additional concern for bench marks – If not sure of capacity and don't spend the money is an agency kicked out of the second round of funding?***

A. Sub-grantees that do not meet the benchmarks will be closely evaluated and, depending on the circumstances, may be unsuccessful in obtaining subsequent funding.

***Q. If Lead Based Paint abatement is needed, will separate funds be available for abatement?***

A. Not from the ARRA weatherization funds – if work cannot proceed without abatement then the house needs to be deferred with no work being done.

***Q. Will the back ground check prohibit a felon from being hired?***

A. IHCDCA will follow standard industry practices for determining the effect of a felony conviction on a person's eligibility to participate in the weatherization training. Generally, this will involve a facts and circumstances analysis that is conducted on a case-by-case basis.

***Q. How should the good faith estimate on materials be figured?***

A. It should be based on the number of households the organization anticipates being able to weatherize, given its resources and capacity, and an estimate of the amount of money that would be needed for materials to weatherize those households.

***Q. Can you elaborate on the auditor and contractor training? What was the process for developing the training and who is doing it?***

A. IHCD has sponsored such training for years, but recognizes that the current training delivery system cannot support the volume of potential workers that need to be trained. Because the timely weatherization of homes depends on how quickly a trained workforce is in place around the state, IHCD is working to identify the best-equipped sources for providing training on a statewide basis. Great effort is being expended to get the training component in place quickly, and IHCD anticipates having more information on its website in the next couple of weeks.

***Q. When is the public hearing date? Is it a firm date?***

A. The date is currently set for May 4, depending on completion and availability of the State Plan.

***Q. Is the amount allowed for additional necessary repairs going to be raised?***

A. It is being considered but there has been no determination made at this time.

***Q. Is it true that no other government funds can be used with the stimulus funds?***

A. No. Sub-grantees may use other government funding in a home being weatherized with ARRA funds, as indicated in section 2.5 of the DOE Guidance for 2009. However, all ARRA funding must be tracked separately.

***Q. Is there any chance that the 15% for Health and Safety can be a flexible number or be raised?***

A. DOE set the 15% limit for health and safety. DOE has stated it does not see the need to increase the limit, but it will consider it if provided a really strong justification. IHCD has been trying to plead that case with DOE and welcomes any data or documentation from sub-grantees to justify an increase.



***Q. How do you foresee the client notification process working since some of them will be scheduled months in advance?***

A. Applicants should include in their proposal their anticipated process for notifying persons on the provided list of eligible households. Applicants are not required to notify all eligible households up-front; rather, it is recommended that applicants notify clients as the need warrants. This ensures that if, for example, a successful applicant receives a list of 400 eligible households, but is only funded at a level to be able to serve 200, there are not commitments made to the households who do not receive service within the grant period.

***Q. Please explain the contracts information listed on page 2-3, Section C.***

A. IHCD A ordinarily awards DOE weatherization grants for a period that coincides with the DOE “program year,” which runs from April 1 to March 31. Because distribution of these new funds by DOE will be delayed, the initial award term will be less than one full year. IHCD A will conduct another funding round in 2010 early enough that those awards will run for the DOE program year. In deciding whether to make subsequent awards to the sub-grantees selected this year, IHCD A will consider their performance under the first award.

***Q. How will the RFP be scored? For example, how would an organization with no weatherization experience be scored versus a CAP that has a less than stellar weatherization record? How will an organization with no weatherization personnel or equipment be scored versus a CAP organization that does?***

A. Evaluation factors listed on pages 4-2 and 4-3 will be used to assess applicants and their proposals. Information provided in response to Attachments E and F will form the basis for evaluating the applicant’s experience and relative qualifications. IHCD A will also verify the information provided and will take public comments on the applicant’s qualifications during the public hearing.

***Q. How is the money secured at the back end of each project? Is all the money forgiven, attached as a soft second, attached as a forgivable lien? Does this change for owner-occupied houses versus multi family buildings?***

A. Weatherization assistance is provided on the basis of eligibility and need, and is not “secured” by a lien or mortgage on the property, as is done in HUD funded programs. For multi-family buildings, however, the sub-grantee may require the landlord to contribute and must ensure that the energy savings that will primarily benefit the low-income tenant. Section 300 of the Weatherization Manual and 10 CFR 440.22 provide additional guidance.

***Q. Is there any provision that disallows a sub-grantee from using these funds on properties it owns? What about tax credit properties? All tenants at both examples would be income eligible. What is the limit per unit? How is the money treated in this example?***

A. The target households for these funds is the households on the EAP lists, which will be provided to successful sub-grantees. Sub-grantees must provide services only to those households from the EAP list provided by IHCD. Although it is theoretically possible to use ARRA funds to weatherize a tax credit or sub-grantee owned property, IHCD does not plan to do so at this time.

***Q. We need to advertise heavily in order to have a chance at completing the numbers of units that are mandated by the stimulus package. How do we get reimbursed for the advertising?***

A. IHCD will provide referrals to the sub-grantees from its EAP lists, which should eliminate or reduce the need to advertise.

***Q. How does renewable energy fit into this program. We would be very interested in using some of this money for renewable energy installations at a few of our buildings. Is this an allowable cost? What are the caps on this type of work? The buildings would all be multi-family tax credit properties with 100% qualified tenants.***

A. Section 440.18 (Allowable Expenditures) of Title 10 CFR, incorporates provisions addressing renewable energy systems and specifies a ceiling of \$3000 per dwelling for labor, weatherization materials, and related matters. DOE's 2009 Program Guide offers further information about the process of incorporating renewable energy systems into the Weatherization Assistance Program. Use of the ARRA funds is subject to the current regulations and guidance provided by DOE.

***Q. In all the regulations that I have read through they all talk about a \$2800-\$3200 cap per unit. The RFP talks about a \$5000 per unit cap. What is the cap?***

A. There is no "per unit cap." Rather, the limits are based on an average cost per home, which for this program is \$5,000. This allows for measures to be tailored to each home, with more or less costs incurred, as needed.

***Q. How does the "Health and Safety" 15% cap affect the average across all units assisted. For example if we have some houses that need substantial insulation, air sealing etc. along with a new furnace and water heater can the total cost of this unit exceed \$5,000?***

A. Health and Safety costs are a separate line item within the budget and therefore are not counted as part of the average cost per unit calculation. All costs related to repairs or replacements for health and safety reasons, must be charged to the Health and Safety line item and may not exceed the 15% cap on the sub-grant regardless of the number of units served.

***Q. Can ARRA funds be used in Public Housing and/or Section 8 properties?***

A. Yes, if such a household is on the EAP list. The priority for use of these funds is those households on the EAP lists. Moreover, the ARRA allocated funds to HUD for Public Housing Capital Improvement Projects. Use of DOE funds to weatherize public housing that is also receiving such capital improvement funds from HUD will be subject to strict scrutiny to prevent fraud, waste or abuse.

***Q. If organizations don't apply during the first round, can they apply during the second round?***

A. The RFP was issued because IHCD needed to add new sub-grantees to effectively administer the significant increase in weatherization assistance funds. Although an organization may wait to apply in the second round, it may face heavier competition from sub-grantees selected during this round that have performed well.

***Q. Will the state "update" the lists of LIHEAP clients to add those that qualify at the 200% level?***

A. No, the existing list of households will be used and should provide sufficient households to consume these funds. IHCD does not plan to include households up to 200% of poverty, if it determines that production needs warrant it.

***Q. Will the list be compiled by eligible residents by county?***

A. Yes, the list will be compiled by county and if necessary it can be further refined by zip code if a sub-grantee will only be serving a targeted area.

***Q. Regarding the list that currently exists, what is the estimated number of people statewide on the list? Can you break out those numbers by county?***

A. As of March 27, 2009, there were 185,146 households enrolled in the LIHEAP program statewide. County-level figures can be provided upon request.

***Q. We were unable to be at either of the meetings, is there going to be minutes printed regarding the meeting on 3/31 /09 and 4/1/09?***

A. No. Most of what was discussed is outlined in the FAQs and in the PowerPoint available at IHCD's website.

***Q. Will the sign in sheet from the orientation be published for the general public?***

A. No

***Q. How can our firm be certified as a inspector/auditor for the program?***

A. Individuals can be certified as an auditor by taking the IHCDAsponsored training.

***Q. Some CAP agencies have a requirement for a locally issued gen'l contractors license in order to perform Wx activities, For purposes of the stimulus Wx activity, and the intent to use a wide range of non-profits.. what are the licensing requirements expected to be? Is a GC license issued by any IN municipality sufficient to perform Wx work in any county?***

A. Any organization seeking to perform weatherization assistance work in a municipality will be expected to comply with that municipality's licensing requirements. IHCDAs training and certification requirements are contained in Attachment B. Given the volume of weatherization work to be, IHCDAs will question any licensing requirements imposed on contractors that are not mandated by the municipality in which the work is to be performed, provided the contractor meets the IHCDAs requirements.

***Q. Must an "Energy Auditor" possess any particular form of license?***

A. The requirements for participation as an "Energy Auditor" can be found in the RFP Attachment B.

***Q. Is there an allowance for Administrative costs for the organization(s) doing the program? How much?***

A. Organizations with a total grant award of \$350,000 or more are allowed up to 5% of their total grant award for Administration. Organizations with less than \$350,000 in grant funds may claim up to 10% for Administration. Also see Attachment A "Budget Allowances" for a more in depth explanation of what can be claimed under each of the allowed cost categories.

***Q. Will you be recommending contractors, or do we need to find our own? How many are currently in the state?***

A. No, IHCDAs does not recommend contractors. It will, however, publish the names of those who have successfully completed IHCDAsponsored training.

***Q. Will you be furnishing the guidelines on how the insulation should be done?***

A. All technical specifications related to methods for installation can be found in the Indiana Weatherization Field Guide. Locations and amounts of insulation will be determined by the energy auditor as part of the whole-house energy audit.

***Q. What is the timeframe for completing the contract?***

A. IHCD will be issuing 2 separate allocations. The first allocation of funds will be released on May 1 or as soon as funding is available from the Department of Energy. The first release of funds (amounts specified in Attachment G) must be fully expended by March 31, 2010. The second release of funds will take place on April 1, 2010 and must be expended by March 31, 2011.

***Q. Is the rule for landlords not being able to evict tenants for 1 year hard and fast?***

A. There is no “hard and fast” rule against evicting a tenant, but there are certain requirements that apply to the weatherization of rental property. For example, DOE regulations at 10 CFR Part 440.22, state that “For a reasonable amount of time after Weatherization work has been completed on a dwelling containing a unit occupied by an eligible household, the tenants in that unit (including households paying for their energy through their rent) will not be subjected to rent increases unless those increases are demonstrably related to matters other than the Weatherization work performed.” In Indiana, a reasonable period of time is defined as one year.

***Q. Are there a minimum number of houses to be done under the contract?***

A. IHCD has not set a minimum requirement.

***Q. What are the income limits?***

A. Families earning up to 200% of the federal poverty guidelines are eligible for assistance.

***Q. Where is the RFP? And when was it posted?***

A. The RFP can be found by going to the following link: <http://www.in.gov/ihcda/3110.htm> and it was posted on March 23<sup>rd</sup>.